

National Canners Association

WASHINGTON, D. C.

Information
Letter



For N. C. A.
Members

Membership Letter No. 101.

February 28, 1925.

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Freight Rates on Canned Foods from Wisconsin Reduced.

Upon a complaint attacking commodity rates on canned goods in carloads from points throughout the State of Wisconsin, and from St. Paul, Minnesota, to destinations in the Lower Mississippi Valley, the Interstate Commerce Commission has found that the rates from Middleton, Wisconsin, St. Paul and points in Wisconsin taking the same rates as St. Paul, to such destinations, are unreasonable. The Commission has accordingly issued an order requiring the railroads concerned to establish, on or before April 30, on canned goods in carloads, to destinations in the Lower Mississippi Valley, rates from Middleton which shall not exceed the rates contemporaneously maintained from Madison, Wisconsin, to the same destination by more than 2 cents per 100 pounds, and rates from St. Paul and from points in Wisconsin basing thereon which shall not exceed rates 5 cents per 100 pounds lower than the present rates from said points of origin to said destinations.

New York Food Law Amendment.

An amendment to the food law of New York State gives to the State Commissioner of Farms and Markets the power to seize and destroy foods which are considered unwholesome, decomposed or otherwise unfit for consumption. This gives to the commissioner authority to act in such cases along similar lines to the seizure action under the Federal Food and Drugs Act in case of interstate shipments. The section in question reads as follows:

"The Department, through the Commissioner, shall have power to..... seize, destroy or denature so that it cannot thereafter be used for food, any unwholesome food or food products sold or exposed for sale on the markets of this state, or any food or food products consisting in whole or in part of any filthy, decomposed or putrid animal or vegetable substance, or any portion of an animal unfit for food, whether manufactured or not, or if it is the product of a diseased animal or one that has died otherwise than by slaughter. Provided, however, that the Commissioner of Farms and Markets after seizure and before such destruction, shall give the owner, proprietor or custodian of such food ten days notice in writing, to be served either personally or by mail, of a hearing

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for the said owner, proprietor or custodian to show cause why such food should not be destroyed in accordance with the provisions of the statute."

Publications of Interest to Growers of Canners' Crops.

"Growing Tomatoes for the Canning Factory", is the title of an illustrated bulletin of 28 pages recently issued by the Purdue University Agricultural Experiment Station at Lafayette, Indiana. The bulletin covers such points as plant growing under glass and in the open, soils and soil fertility, setting of plants in the field, cultural practices, diseases, spraying methods, insect pests, etc.

"Spraying Calendar", an illustrated bulletin of 30 pages just issued by the Agricultural Experiment Station of the Michigan Agricultural College at East Lansing, furnishes directions for the spraying of apples, pears, cherries, plums, peaches, grapes, currants, gooseberries, raspberries and dewberries, and also gives information respecting spraying materials, with various formulas.

Pea Aphis Project in Wisconsin.

In 1924 over twice as many Wisconsin pea-canning factories replied to the questionnaires sent out in connection with the pea aphis project as in 1923, according to an announcement from the U. S. Entomological Laboratory at Madison. The replies covered about half the pea canneries in the State, which reported about 65 per cent of the total acreage in peas. The data regarding aphis injury for 1924 show little regularity, and the belief is expressed that information will have to be gathered for at least three or four years before a concise, accurate summary of conditions in the State can be shown. The opinion is expressed that in the immediate future the heaviest problem of aphis control will be in that part of the State south of Green Bay and east of Lake Winnebago.

The Effect of Publishing Pack Statistics.

In commenting on the effect of compiling and publishing statistics of the pack of canned foods, the California Fruit News in a recent issue says:

"All people buy much more substantially in the open than when they are buying pigs in pokes and the substantial and complete figures of these supplies and demands, put out by industry agencies as promptly as available, so that they may be comparative one year with another, can not help in the long run, in our opinion, but produce much more good than harm. And this regardless of the fact that it is perfectly obvious that some one may have to take a loss for his produce some one year because of his inability to fool the buyer through a lack of the latter's knowledge.

"While it is perfectly obvious that the knowledge of facts may adversely affect sales, also it is perfectly obvious that knowledge of facts may benefit sales. It works both ways. And not only is the average satisfactory, but the confidence inspired by the knowledge of the trade that it does know all the facts is an advantage that weighs materially upon the benefit side of the scale. Incidentally, in general as of an industry and as of its trade, the buyer is entitled to know the quantity of the supplies from which he is purchasing. Values are based upon supply, and while trade may fool its buyers once to its advantage, the kick-back is more expensive than the advantage, usually."

Trend of Canned Food Exports.

January exports of canned meats and canned fruits increased in both

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quantity and value over the exports in January last year, while canned vegetable exports declined in quantity but gained in value. The exports in January of the current year were: Meats, 1,535,463 pounds valued at \$411,186; fruits, 16,239,189 pounds valued at \$1,646,009; vegetables, 3,351,347 pounds valued at \$335,628.

Ruling on Depreciation Due to Competition.

The United States Board of Tax Appeals in a recent decision on an appeal from a determination by the Internal Revenue Commissioner of a deficiency in income and profits taxes against an Illinois grain company for the calendar year 1918, held that a taxpayer may deduct from gross income an allowance for exhaustion, wear and tear of its property used in its business, based on the cost to it of such properties when acquired subsequent to March 1, 1913, and measured by the useful life of such properties. In the absence of any evidence tending to show the existence of a good will or value thereof, an arbitrary allocation of a portion of the purchase price of property of a going concern to such good will should be disallowed. The taxpayer may not take as a deduction for exhaustion, wear and tear and obsolescence, a speculative amount alleged to represent a loss in market value of its properties due to competition.

Census of Canned Milk Production.

According to a preliminary statement from the Census Bureau, the output of condensed milk in 1923 was 412,414,651 pounds valued at \$45,235,863, an increase of 19.3 per cent in quantity and of 15.2 per cent in value as compared with 1921. Evaporated milk output was 1,382,253,843 pounds valued at \$119,466,358, a decrease of 2.2 per cent in quantity and one-tenth of 1 per cent in value.

Sauerkraut Definitions and Standards Considered.

The definitions and standards for sauerkraut recommended by the National Kraut Packers Association were presented by representatives of the Association to the meeting of the Joint Committee on Definitions and Standards for Food held in Washington this week.

Cumulative Index of Membership Letters.

With this Membership Letter is furnished a cumulative index of the material appearing in Letters Nos. 1 to 94, inclusive. Members of the Association who have kept a file of the letters may accordingly discard the earlier indexes. It is planned to issue in July an index of the Letters for the first half of the current year.

House Passes Federal Cooperative Marketing Association Bill.

The House of Representatives Thursday afternoon passed the Dickinson substitute for the Haugen Federal Cooperative Marketing Association Bill, with an amendment submitted by Senator Jones. The bill as passed contains no provision for the registration, licensing or regulation of associations, the audit of their accounts, or reports on their financial condition. It sets up a Cooperative Marketing Advisory Council not exceeding forty in number consisting of representatives of cooperative marketing associations, including among others the associations of producers of dried and canned fruit, which would submit to the President eight nominations for members of the Federal Cooperative Marketing Board. The Board would consist of five members, four of whom would be named by the President

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from these eight nominations. The Secretary of Agriculture would be the fifth member.

The powers of the Marketing Board would be educational and advisory in character - to promote and aid in the formation of cooperative associations, to make surveys, investigate crop production conditions, and make recommendations to producers to prevent surplus production, to promote the establishment of uniform standards, etc.

The Jones amendment incorporated in the bill would specifically authorize cooperative marketing associations to exchange crop and market information, to make and carry out programs for orderly production and marketing including the adjustment of supply to demand, and to pool and store products and pool the proceeds from their sale upon such terms as the association and its members may agree.

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